



Problem Resolution Report

NORTHROP GRUMMAN

NG/CoSD-021

Clarify Requirements for Asset Transfer to San Diego Futures Foundation

Date: April 16, 2007

Summary:

In accordance with the provisions of the IT and Telecommunications Service Agreement dated January 24, 2006 ("the Agreement") by and between the County of San Diego ("County") and Northrop Grumman Information Technology, Inc. ("Northrop Grumman" or "Contractor") (hereinafter collectively referred to as "the Parties") agreement is reached on the date shown above.

Issue or Problem:

The Parties wish to clarify the requirements for the transfer of assets from Northrop Grumman to the San Diego Futures Foundation.

Resolution:

Section 4.4 of the Agreement is amended to read as follows:

4.4 Asset Management

Contractor shall provide the asset management and upgrade services described in Schedules 4.3 and 4.4 throughout the Term. Unless otherwise directed by the County, such Services shall include procurement, installation, implementation, and maintenance of upgraded and replacement assets for all Purchased Assets and all other assets, excluding Retained Assets, used in the provision of Services, in accordance with such Schedule. Contractor shall be the sole owner of all such upgrades and replacements. In fulfilling its obligation to perform all upgrades and replacements hereunder, Contractor shall provide the County with assets that meet the then-current standards and specifications for such asset in the Standards and Procedures Manual or as otherwise agreed by the Parties. Contractor shall also provide such upgrades and replacements at no additional cost to the County and shall schedule such upgrades and replacements in advance and in such a way as to prevent any interruption or disruption of Services to the County. Contractor shall be required to obtain the prior written consent of the County before acquiring, maintaining, upgrading, or replacing any asset that is used or to be used by the County, Contractor, or third parties in connection with the provision of the Services if such acquisition, maintenance, upgrade, or replacement could result in any additional cost to the County hereunder or any diminution in the nature or level of any portion of the Services. For standard personal computers, laptop computers, tablets and associated peripheral assets owned or leased by the Contractor that were used by the County but subsequently permanently retired, decommissioned, or otherwise removed from service in accordance with Schedule 4.3, Contractor shall, at no additional charge and to the extent such assets still have a remaining useful life, transfer such assets to charitable organizations of the County's choosing.



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The resolution of the issue or Problem as described in this Problem Resolution Report shall govern the Parties' actions under the Agreement until a formal amendment of the Agreement is implemented in accordance with the terms of the Agreement, at which time this Problem Resolution Report shall be deemed superseded and shall be null and void.

All other terms and conditions of the Agreement remain unchanged and the Parties agree that such terms and conditions set forth in the Agreement shall continue to apply. Unless otherwise indicated, the terms used herein shall have the same meaning as those given in the Agreement.

IN WITNESS WHEREOF, THE Parties hereto, intending to be legally bound, have executed by their authorized representatives and delivered this Problem Resolution Report as of the date first written above.

COUNTY OF SAN DIEGO

By: Dorothy R. Carder
Name: Dorothy R. Carder
Title: Sr. PCO
Date: 5/21/07

NORTHROP GRUMMAN INFORMATION TECHNOLOGY, INC.

By: [Signature]
Name: RANDOLPH PABST
Title: DIR, CONTRACTS
Date: 5/18/2007